

San Juan Water Commission

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MEMBERS:
City of Aztec
City of Bloomfield
City of Farmington
San Juan County
S.J. County Rural Water Users Association

Final Minutes Approved: March 2, 2016

SAN JUAN WATER COMMISSION REGULAR MEETING MINUTES FEBRUARY 3, 2016

The San Juan Water Commission met in a Regular Meeting pursuant to due Notice, Wednesday, February 3, 2016 at 9:00 A.M. in the San Juan Water Commission's conference area in the San Juan Water Commission Office Building, 7450 East Main Street, Farmington, New Mexico.

CALL TO ORDER

Chairman K. Johns called the regular meeting of the San Juan Water Commission (SJWC) to order at 9:00 A.M.

Members Present

City of Aztec	Josh Ray - Commissioner
City of Bloomfield	- - -
City of Farmington	Jay Burnham - Alternate Commissioner
San Juan County	Keith Johns - Commissioner Margaret McDaniel - Alternate Commissioner
S.J. Rural Water Users Assoc.	Jim Dunlap - Commissioner Keith Lee - Alternate Commissioner

Members Absent

City of Bloomfield	Elwin Roark - Commissioner Teresa Brevik - Alternate Commissioner
City of Farmington	Cy Cooper - Commissioner
City of Aztec	Robert Oxford - Alternate Commissioner

Legal Present

Doug Echols

Staff Present

Aaron Chavez
Shaun Bishop
Jacqueline Allcorn
Gordon Miller

Visitors: (2)

In the absence of Commissioner E. Roark and Alternate Commissioner T. Brevik, there were no voting members for the City of Bloomfield. In the absence of Commissioner C. Cooper, Alternate Commissioner J. Burnham was the voting member for the City of Farmington.

APPROVAL OF AGENDA

Chairman K. Johns called for approval of the Final Agenda. Motion was made by J. Dunlap and seconded by J. Ray to approve the Final Agenda as written, and upon voice vote the motion carried unanimously (J. Burnham, J. Dunlap, K. Johns, and J. Ray all voted yes).

CONSIDERATION OF APPROVAL OF THE JANUARY 6, 2016 REGULAR MEETING MINUTES

Motion was made by J. Ray, and seconded by J. Dunlap to approve the January 6, 2016 regular meeting minutes, and upon voice vote the motion carried unanimously (J. Burnham, J. Dunlap, K. Johns, and J. Ray all voted yes).

CONSIDERATION OF APPROVAL OF THE JANUARY 13, 2016 SPECIAL WORKSHOP MINUTES

Motion was made by J. Dunlap, and seconded by J. Ray to approve the January 13, 2016 special workshop meeting minutes, and upon voice vote the motion carried unanimously (J. Burnham, J. Dunlap, K. Johns, and J. Ray all voted yes).

COMMENTS FROM THE PUBLIC

There were no comments from the public.

ANIMAS-LA PLATA PROJECT

Russ Howard, General Manager for the ALP OM&R Association (Association) updated the Commission on the progress of the ALP by stating that the current reservoir elevation is 6,880.7 feet, which means the reservoir is in healthy shape. R. Howard said that in light of the Gold King Mine spill; there is concern that there is still quite a bit of sediment lying in the stream which could be stirred up during the spring runoff. R. Howard said in order to not take unnecessary chances, the Association will not pump this year. R. Howard said sediment samples are being gathered to create a baseline, which will be compared with samples throughout the year to make sure that heavy metal quantities have not changed. R. Howard noted that the Association will determine if pumping is to resume in 2017.

R. Howard said there has been a lot of activity regarding the water rights that allows the project to function. After much time and money, a settlement has been reached and title to the Basin Creek water rights have been conveyed to the Association by quit claim deed. R. Howard said the Association is waiting on the Department of Justice to approve application for finding of reasonable diligence for a conditional water right and for a finding that a portion of the water right has been made 'absolute'. R. Howard said if granted, 3,563 acre-feet will be made 'absolute', leaving 2,837 acre-feet as 'conditional'.

R. Howard said the Association has determined that the current water year from October 1 through September 30 is not the best case scenario for efficient project operations, since pumping does not start until May. R. Howard said project engineers analyzed different project yield scenarios and proposed that the water year be changed to April 1 through March 31. R. Howard said the Association is allowed by law to change the water year only one time within the life of the project and added that the Association is preparing a letter to be sent to the Colorado State Engineer outlining the request that allows the Association the ability to maximize the yield of the project by not incurring paper fill in the months pumping does not normally occur.

R. Howard said there was mention of a possible change to Colorado water law that would preclude out of state entities from having a standing in a Colorado Water Court. The Association was not sure how it would affect their ability to function because of the New Mexico and Colorado entities involved. R. Howard said, in order for the Association to get involved in the lobbying process, the Association had to take on a 501-H designation, while remaining a 501 C-3 Non-Profit. The 501-H designation allows the Association to have a small percentage of their total budget designated toward retaining lobbyist. The Association hired a lobbying firm from Denver to monitor the Colorado legislature. R. Howard reported that the Association's fiscal year audit is complete and in order, and that the Associations taxes will be filed by February 16, 2016.

R. Howard said that Western Area Power Administration (WAPA) wants to meet with him to discuss transferring their assets associated with the Project to the Association. The Association is concerned that \$1.6 million remaining from construction, and held in reserve by WAPA for the O&M of the infrastructure that was built for this project, may not be available in the future. If WAPA's reserves are not available, the Association would be responsible for paying WAPA for the O&M costs. Following a brief discussion, R. Howard said that this subject will require further review to see if there is any benefit to the Association. R. Howard will attend a meeting with WAPA on February 10, 2016 and report his findings to the Association.

A. Chavez added that we are fortunate that the Animas-La Plata Project is a new project because we should not incur replacement costs for infrastructure any time soon. A. Chavez said because the Project is new that there is time to build up the reserve funds for paying infrastructure replacement costs and that the Association would be looking at this issue in the near future.

WATER RESOURCES UPDATE

Gordon Miller presented the information contained in the *Water Resources Update* for February 2016. G. Miller said the flow data for the month of January on the Animas River at the Tall Timer "Teft" gage was unavailable due to the gage freezing. Durango was 93% of average after the gage thawed, stream flow below the Durango Pumping Plant 103% of average after the gage thawed, the stream flow near Cedar Hill was unavailable due to the gage freezing, and the stream flow on Animas River at Farmington was 114% of average when the gage thawed. G. Miller said as of January 31st, the pool elevation at Navajo Reservoir was 6,063 feet which was 82% of capacity. G. Miller said, a spring peak release is expected under nearly all forecast scenarios ranging from a one week release to an extended release of one month or more depending on inflow.

G. Miller said that the snow water equivalent for the Animas River Basin as of February 2nd was 119% of average, while the San Juan Basin was at 115% of average. G. Miller reported the runoff forecast as of February 1st, noting that the most probable flow in the Animas at Durango, Colorado from April through July is 445,000 acre-feet, and the most probable flow in the San Juan above Archuleta, NM from April through July is 773,000 acre-feet.

G. Miller presented the Sea Surface Temperatures by remarking that El Nino conditions are present, positive equatorial sea surface temperature anomalies continue across the Pacific Ocean, and a strong El Nino is expected to gradually weaken through the spring of 2016; transitioning to ENSO-Neutral during late spring or early summer 2016.

G. Miller presented the Precipitation and Temperature Outlook. G. Miller said we have a 40% to 50% chance of above average precipitation for February, March, and April 2016; and we could expect equal chances of above average or below average temperature ranges for February, March, and April 2016. Additionally, G. Miller remarked that as we head into 2017 the outlook changes significantly, and we could expect 30% to 40% below average precipitation; and a 33% to 40% chance of above average temperatures. G. Miller presented the U.S. Drought Monitor, by remarking that the San Juan Basin is officially drought free at this time.

CLOSED EXECUTIVE SESSION

Motion was made by J. Burnham and seconded by J. Ray to go into a Closed Executive Session pursuant to Sections 10-15-1(H) (7), and (8) NMSA 1978, under the attorney-client privilege to discuss matters pertaining to threatened or pending litigation in which the public body is or may become a participant and the acquisition or disposal of water rights, and upon voice vote the motion carried unanimously (J. Burnham, J. Dunlap, K. Johns, and J. Ray all voted yes).

Chairman K. Johns closed the meeting at 9:45 A.M.

Motion was made by J. Burnham, seconded by J. Dunlap to reopen the meeting and upon voice vote the motion carried unanimously (J. Burnham, J. Dunlap, K. Johns, and J. Ray all voted yes).

Chairman K. Johns reopened the meeting at 10:05 A.M.

Chairman Johns stated that no discussion, other than that [discussion] pertaining to threatened or pending litigation in which the public body is or may be a participant and the acquisition or disposal of water rights took place during the Closed Executive Session.

COMMENTS FROM THE COMMISSIONERS, ALTERNATES, AND STAF

A. Chavez said the San Juan Water Commission and the Regional Water Planning Steering Committee received the Draft 2016 Update San Juan Basin Regional Water Plan on January 28, 2016. A. Chavez said the SJWC staff is currently reviewing the draft plan and will be submitting comments to the Interstate Stream Commission (ISC). A. Chavez added that the ISC is holding a Regional Water Planning Steering Committee meeting on Monday, February 29, 2016 from 6 to 8 p.m. in the SJWC Conference Room.

A. Chavez said that the proposals for the Allocation Issue are due by Tuesday, March 1, 2016. A. Chavez said no proposals have been submitted to date.

A, Chavez informed the Commission that staff posted the position for the Water Resource Specialist on January 20, 2016 in the Daily Times, and online on Career Builder. A. Chavez noted that the deadline for submitting resumes is February 15, 2016.

A, Chavez said that the Game & Fish issued a press release on January 25, 2016 announcing new rules approved by the State Game Commission at its January 14, 2016 meeting that will take affect February 12, 2016. A. Chavez said that SJWC did submit comments prior the adoption of the rules.

ADJOURNMENT

Chairman K. Johns called for a motion to adjourn. Motion was made by J. Burnham, seconded by J. Dunlap to adjourn and upon voice vote the motion was carried unanimously (J. Burnham, J. Dunlap, K. Johns, and J. Ray all voted yes).

There being no further business, Chairman K. Johns adjourned the meeting at 10:10 A.M.

**APPROVED THIS 2ND DAY OF MARCH, 2016
SAN JUAN WATER COMMISSION:**

Signature on File
Keith Johns, Chairman